



City of Arts & Innovation

News Release

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City of Riverside Passes 2013-14 Budget With \$222.5 Million General Fund

General Fund revenues are up 3.5 percent, while spending increases by less than 1 percent

RIVERSIDE, Calif. (June 25, 2013) – The Riverside City Council passed a 2013-14 city budget that increases General Fund spending by less than 1 percent over the current fiscal year.

The budget from City Manager Scott Barber was approved Tuesday, June 25, by a 7-0 vote. The City Council had previously held a public hearing on the 2013-14 budget on June 18.

The \$895.7 million budget includes a \$222.5 million General Fund, which pays for most city services. General fund revenues are up about 3.5 percent from the 2012-13 city budget.

“This budget, while not giving us everything we may want, gives us everything we need,” Mayor Rusty Bailey said. “We will continue to manage the city’s finances in a responsible and responsive way, ensuring that essential city services are adequately funded.”

As part of the budget approval, the City Council unanimously agreed to add \$10,000 to the Parks, Recreation and Community Services budget to maintain funding for night swimming at city swimming pools.

The city’s General Fund reserve will remain at about \$36.5 million, providing a financial cushion for future needs.

The path to a finalized city budget has included strategic cuts across many city departments. Such cuts are designed to reduce the need for larger cuts that could more significantly affect city services.

For example, the Parks, Recreation and Community Services Department saved \$8,000 by eliminating the Fishing Derby at Fairmount Park and saved \$14,000 by cutting the summer concert series from eight weeks to five weeks; the City Manager's Office cut \$25,000 from economic development advertising and \$15,000 from the "Seizing Our Destiny" program; General Services is saving \$140,000 in reduced printing services; and the Museum cut \$25,000 in Festival of Lights funding.

The fiscal year will be the first in which the city will have to pay about \$3.3 million into the city's Water Fund to satisfy the terms of a legal settlement that arose out of Prop. 218. That settlement requires the city to pay \$10 million into the Water Fund during the next three years at roughly \$3.3 million per year.

Voter approval of Measure A on June 4 prevented the city from having to cut roughly \$6.7 million from the budget. Those cuts would have been required each year had voters not approved Measure A, which asked voters whether the city should continue its longstanding practice of transferring 11.5 percent of water revenues each year to the General Fund.

About 68 percent of voters approved of the measure, which needed just over 50 percent of the votes to pass.